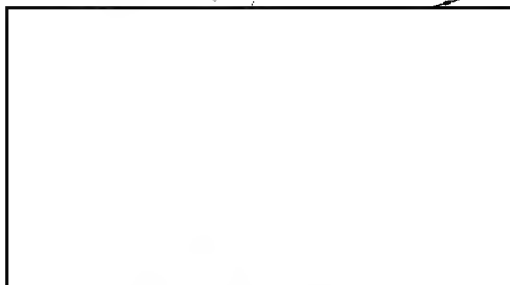


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18 JAN 1950

The Honorable Frank Pace, Jr.  
The Director of the Bureau of the Budget  
Bureau of the Budget  
Washington 25, D. C.

Dear Mr. Pace:

On 29 December 1949 I forwarded to you a draft of a proposed Executive Order in connection with necessary authorities under Section 5(b) of the Central Intelligence Agency Act of 1949 (Public Law 110, 81st Congress).

After discussions with members of your staff, it was determined that our proposed draft would not be acceptable. It has, therefore, been revised in accordance with suggestions from your staff. I am enclosing the revision of this proposed Executive Order with the request that it be substituted for the draft attached to my letter to you of 29 December 1949, with the hope that it will meet with final approval in this form.

Sincerely yours,

Signed - *W. H. Hillenkoetter* 1/18/50

R. H. HILLENKOETTER  
REAR ADMIRAL, USN  
DIRECTOR OF CENTRAL INTELLIGENCE

Enclosure  
WLPforzheimer:ble  
Central Records  
Signer  
Budget Officer  
Return to Legal Staff

*Signature*

**EXECUTIVE ORDER**

**REGULATIONS RELATING TO THE GRANTING BY THE DIRECTOR OF  
CENTRAL INTELLIGENCE OF CERTAIN ALLOWANCES.**

By virtue of the authority vested in me by Section 5(b) of the Central Intelligence Agency Act of 1949 (approved June 20, 1949, Public Law 110, 81st Congress), and as President of the United States, the following regulations are hereby prescribed:

1. The allowances granted by the Director of Central Intelligence under the said Section 5(b) of the Act of June 20, 1949, shall conform with allowances granted pursuant to regulations prescribed by the Secretary of State pursuant to Sections 901(1) and (2) of the Foreign Service Act of 1946, as to places or cities with respect to which such regulations are applicable; and as to places or cities with respect to which such regulations are not applicable, the allowances granted by the Director shall conform, so far as practicable, with the general standards and rates contained in the aforesaid regulations of the Secretary of State.

2. The Director of Central Intelligence may prescribe such further regulations as he may deem necessary to effectuate the purposes of this Order.

3. This Order shall be effective as of June 20, 1949.

**HARRY S. TRUMAN**

**THE WHITE HOUSE.**